



Regulatory Circular RG04-64

Date: May 24, 2004

To: Members

From: Membership Committee

Re: Issuance of Clerk and Floor Manager Badges

Effective on May 24, 2004, the Exchange will not issue a trading floor access badge to a **newly hired** clerk, **newly hired** floor manager, or any **newly hired** person associated with a member requesting a clerk or floor manager badge until:

- (1) the individual has viewed a harassment training video; and
- (2) the Exchange has received a fingerprint report back from the FBI for the individual and determined that the individual is not subject to a statutory disqualification.

Newly hired clerks, floor managers, and associated persons of members requesting a clerk or floor manager badge are collectively referred to below as clerks.

Clerks may view the harassment training video in the Badges and Jackets Office. The video is approximately 30 minutes in length.

The Badges and Jackets Office has the capability to scan an individual's fingerprints electronically and to electronically submit the fingerprints to the FBI. When fingerprint submission to the FBI is electronic, the Exchange generally receives a fingerprint report back from the FBI within 24 to 48 hours.

If a fingerprint report for a clerk reveals no criminal record history, the clerk will generally be able to receive a trading floor access badge following receipt of the report by the Exchange.

If a fingerprint report for a clerk contains a criminal record history, the Exchange will generally request that the member organization with which the clerk is associated submit to the Membership Department a certified statement of disposition or conviction from the applicable court or governmental agency for the matter(s) listed on the report. The Exchange will then review this documentation in order to determine whether or not the clerk is subject to a statutory disqualification. The Exchange will not issue a trading floor access badge to the clerk unless and until the Exchange determines that no statutory disqualification exists. A separate application process exists for clerks that are subject to a statutory disqualification which is described in CBOE Regulatory Circular RG03-61.

Because the Exchange will generally request documentation regarding the disposition of criminal matters contained on FBI fingerprint reports for clerks, members are advised to ask clerk applicants at the time they apply for employment if they have any criminal history and to obtain the documentation regarding the disposition of any such matters prior to requesting a trading floor access badge for the individual so that the documentation can be provided to the Membership Department when it is requested.

In addition to the above, the Exchange will also defer issuance of a clerk badge if the Exchange has other information regarding a clerk that may constitute a statutory disqualification (such as a "Yes" answer to one of the criminal history/regulatory questions on the clerk application questionnaire) unless and until the Exchange determines that no statutory disqualification exists.

Any questions regarding this circular may be directed to Stan Leimer (312-786-7299) or Regina Millison (312-786-7452) of the Membership Department.

(Regulatory Circular RG04-06 Revised)